

OFFICE OF CHIEF OPERATIONS OFFICER
Summary of State Board of Education Agenda Items
Consent Agenda
December 18-19, 2014

OFFICE OF SCHOOL FINANCIAL SERVICES – Todd Ivey

- C. Approval to revise State Board Policy 3400 – Rules and Regulations
(Has cleared the Administrative Procedures Act process with no public comment)

Recommendation: Approval

Back-up material attached

DESCRIPTOR TERM: Education Enhancement Funds
CODE: 3400
ADOPTION DATE: August 22, 1997
REVISION: September 2014

Rules and Regulations Regarding the Administration of Funds Appropriated for Education Enhancement Funds for Classroom Supplies and Materials

Authorization and Dissemination

Pursuant to Mississippi Code Section 37-61-33(3)(iii), As Amended, this policy provides rules and regulations for the administration of Education Enhancement Funds appropriated for classroom supplies, materials and equipment to be distributed to all eligible teachers within the state through the use of procurement cards. The intent of the policy is to allow individual teachers to expend such funds, as they deem appropriate, to support the overall goals of the school. Classroom supply funds may not be expended for administrative purposes. These funds may only be used to supplement, not replace, other local and state funds available for the same purpose

Allocation of Funds

On or before September 1 of each year, local school districts shall determine and submit to the State Department of Education the number of teachers eligible to receive an allocation for the current year. The term "teacher" shall mean any employee of the school district who is required by law to obtain a teacher's license from the State Board of Education and is assigned to an instructional area of work, but shall not include a federally funded teacher. The term "teacher" includes all licensed regular teachers and licensed state or locally funded special education teachers, vocational teachers, gifted teachers, counselors and librarians. Procurement cards shall be issued with equal dollar amounts per teacher determined by the total number of qualifying personnel and the current state appropriation for classroom supplies with the Education Enhancement Fund combined with the total of any carryover amounts from the previous year's allocation.

Carry Forward of Funds

Teachers are encouraged to expend their funds in the year in which they receive them. Procurement cards will expire on March 31 of each year. If a teacher does not fully expend the allocation, the unexpended balance will carry forward to the next school year, combine with the next school year's allocation and the total will be allocated equally to all teachers in the state.

Documentation

School districts are required to maintain adequate documentation to demonstrate compliance with the distribution of the procurement cards. At a minimum, each district shall maintain a listing of all eligible teachers, the card number distributed to each teacher, and a copy of the signed Teacher Cardholder Agreement form.

Definitions

Administrative Purposes - shall mean expenditures properly accounted for under expenditure function codes 2300, General Administration; 2400, Office of the Principal Services; and 2500, Business Services, as defined by the Office of the School Financial Services, in the Mississippi Department of Education in the Financial Accounting Manual for Mississippi Public School Districts.

Classroom Teacher - shall mean any employee of the school district who is required by law to obtain a teacher's license from the State Board of Education and is assigned to an instructional area of work, but shall not include a federally funded teacher. The term "teacher" includes all licensed regular teachers and licensed state or locally funded special education teachers, vocational teachers, gifted teachers, counselors and librarians. Federally funded

teacher is a teacher who is paid, in any part, with Federal funds.

Instructional Area of Work - shall mean an area of work dealing directly with the provision of academic instruction, vocational instruction or guidance to students by an employee who is required by law to obtain a teacher's license from the State Board of Education. The instruction or guidance may be provided in the classroom or in another location, such as a library or a counselor's office. This definition applies to teachers, librarians and guidance counselors.

3400 Education Enhancement Funds

DESCRIPTOR TERM: Education Enhancement Funds

CODE: 3400

ADOPTION DATE: August 22, 1997

REVISION: ~~July 21, 2006~~ **December 18, 2014**

Rules and Regulations Regarding the Administration of Funds Appropriated for Education Enhancement Funds for Classroom Supplies and Materials

Authorization and Dissemination

Pursuant to Mississippi Code Section 37-61-33**(3)(iii)**, As Amended, this policy provides rules and regulations for the administration of Education Enhancement Funds appropriated for classroom supplies, materials and equipment **to be distributed to all eligible teachers within the state through the use of procurement cards.** The intent of the policy is to allow individual teachers to expend such funds, as they deem appropriate, to support the overall goals of the school. **Classroom supply funds may not be expended for administrative purposes. These funds may only be used to supplement, not replace, other local and state funds available for the same purpose.** ~~This policy will be distributed to each school principal for their information and for posting in a common area easily accessible to all teachers in the school building, or distribution to each teacher in the building individually.~~

Allocation of Funds

~~Classroom supply funds may not be expended for administrative purposes. These funds may only be used to supplement, not replace, other local and state funds available for the same purpose. Each local school district must allocate classroom supply funds equally among all classroom teachers in the school district.~~ **On or before September 1 of each year, local school districts shall determine and submit to the State Department of Education the number of teachers eligible to receive an allocation for the current year.** The term "teacher" shall mean any employee of the school district who is required by law to obtain a teacher's license from the State Board of Education and is assigned to an instructional area of work, but shall not include a federally funded teacher. The term "teacher" includes all licensed regular teachers and licensed state or locally funded special education teachers, vocational teachers, gifted teachers, counselors and librarians. ~~Part-time teachers may be allocated a proportional share of the amount allocated to other teachers based on time spent in an instructional area of work.~~ **Procurement cards shall be issued with equal dollar amounts per teacher determined by the total number of qualifying personnel and the current state appropriation for classroom supplies with the Education Enhancement Fund combined with the total of any carryover amounts from the previous year's allocation.**

Spending Plan Development

~~Teachers must be given an opportunity to expend their allocation individually or to pool all or part of their allocation to support the overall goals of the school. The principal must apprise teachers of their allocation amount and any other funds available for supplies, educational materials, equipment, computers or computer software. A spending plan is required when two or more teachers choose to pool their allocation or if an individual teacher desires to carry forward their allocation for a specific expenditure/purpose in any succeeding school year. This plan shall~~

be submitted in writing to the school principal for approval. A spending plan may be modified upon request by the teacher(s) and approval by the school principal.

Any two (2) or more teachers may agree to pool all or part of their allocation to support the overall goals of a school within a school district. Teachers desiring to pool their funds must develop a spending plan that supports the overall goals of the school. A school may accomplish this by approving one or more plans. Teachers who agree to pool their allocation must indicate their agreement by signature.

Approval of the Spending Plan and Individual Teacher Expenditure Requests

There is no mandated format for a spending plan; however, school districts may consider using the attached format. The plan must be submitted, in writing, to the school principal for approval. Teachers, who do not pool their allocations nor wish to carry forward their allocation for a specific expenditure/purpose in any succeeding school year, need only complete, sign and submit purchase requisitions or purchase requests to the school principal for approval. A principal may disapprove a spending plan or a teacher's individual expenditure request only if the principal can demonstrate that:

- ▲ the plan or expenditure request does not support the overall goals of the school;
- ▲ the plan or expenditure request includes an unallowable item or items; and/or
- ▲ the cost of supplies and materials exceeds the allocation and any carry forward funds available to participating teachers.

Carry Forward of Funds

School districts need not fully expend the funds allocated in the year in which they receive them, but they may carry forward such funds for expenditure in any succeeding school year. However, districts **Teachers** are encouraged to expend their funds in the year in which they receive them. **Procurement cards will expire on March 31 of each year.** If a district **teacher** does not fully expend its **the** allocation, they must carry forward the **unexpended** balance **will carry forward** to the next school year, **combine with** added to the next school year's allocation and **the total will be** allocated equally to all teachers **in the state.**

Any individual teacher or group of teachers with an approved spending plan that has not been fully funded need not expend the funds allocated under this subparagraph in the year in which such funds are received. Such funds may be carried forward for expenditure in any subsequent school year in which the plan is fully funded. However, beginning July 1, 2006, any funds allocated under this subparagraph which are not reserved in an approved spending plan but remain unspent on March 31 of the fiscal year in which the funds were allotted must be utilized by the school, by the end of the current fiscal year, where the teacher is employed for instructional supply and equipment purposes. If a teacher(s) submits and the principal approves such spending plan, such carry forward funds may not be added to the following school year's allocation and divided equally among all teachers. The school district may use the optional Tracking Format described in the Documentation section below or a variation of that format to track the teacher's carry forward funds.

Documentation

School districts are required to maintain adequate documentation to demonstrate compliance with this policy **the distribution of the procurement cards**. At a minimum, each school principal **district** shall maintain a listing of all **eligible** teachers, the amount allocated **card number distributed** to each teacher, **and a copy of the signed Teacher Cardholder Agreement form**, ~~the carry forward amount for each teacher, a copy of each spending plan and a copy of all requisitions or purchase requests submitted by the teachers. As a teacher submits requisitions or requests for supplies, materials and/or equipment, the principal will reduce the individual teacher's allocation for the appropriate amount and maintain a current balance. Attached is an optional format for tracking expenditures. Although the format is optional, the information on each teacher's allocation, expenditures and balance must be maintained.~~

Definitions

Administrative Purposes - shall mean expenditures properly accounted for under expenditure function codes 2300, General Administration; 2400, Office of the Principal Services; and 2500, Business Services, as defined by the Office of the School Financial Services, in the Mississippi Department of Education in the Financial Accounting Manual for Mississippi Public School Districts.

Classroom Teacher - shall mean any employee of the school district who is required by law to obtain a teacher's license from the State Board of Education and is assigned to an instructional area of work, but shall not include a federally funded teacher. The term "teacher" includes all licensed regular teachers and licensed state or locally funded special education teachers, vocational teachers, gifted teachers, counselors and librarians. **Federally funded teacher is a teacher who is paid, in any part, with Federal funds.**

~~Classroom and Instructional Purposes - shall mean expenditures properly accounted for under expenditure function codes 1110 - 1190, Regular Programs; 1210 - 1290, Special Programs (excluding 1250, Title I of ESEA); and 1400, Summer School Programs, as defined by the Office of the School Financial Services, in the Mississippi Department of Education in the Financial Accounting Manual for Mississippi Public School Districts.~~

~~Equipment - shall mean purchases of property properly accounted for under expenditure object codes 730 and 740, Capitalized and Non-Capitalized Furniture and Equipment, as defined by the State Auditor in the Financial Accounting Manual for Mississippi Public School Districts. This does not include land, buildings, and improvements of grounds, and buildings. Furniture may be purchased only when it directly relates to the equipment purchased or when there is a special need. The school district should purchase items that meet the basic needs of teachers or students, such as student desks and teacher desks and chairs, with other appropriate funds.~~

Instructional Area of Work - shall mean an area of work dealing directly with the provision of academic instruction, vocational instruction or guidance to students by an employee who is required by law to obtain a teacher's license from the State Board of Education. The instruction or guidance may be provided in the classroom or in another location, such as a library or a counselor's office. This definition applies to teachers, librarians and guidance counselors.

~~Spending Plan - shall mean a document that must be developed by an individual teacher or two or more teachers, who elect to pool all or part of their allocation to purchase an allowable item~~

or items that support the overall goals of the school. The spending plan should include the name of the school district, the name of the school, the school year, the allocation amount per teacher(s), the amount the individual teacher is reserving for a specific expenditure/purpose or the amount of the allocation being pooled by a group of teachers, the number of participating teachers and the type of item or items to be purchased. The spending plan must also include the name and signature of each participating teacher.

Miss. Code Ann. § 37-61-33

MISSISSIPPI CODE of 1972

*** Current through the 2014 Regular Session and 1st and 2nd Extraordinary Sessions ***

TITLE 37. EDUCATION
CHAPTER 61. EXPENDITURE OF SCHOOL FUNDS; BUDGETS

Miss. Code Ann. § 37-61-33 (2014)

§ 37-61-33. Education Enhancement Fund; appropriations from fund; certain funds from working cash-stabilization reserve fund transferred to education enhancement fund; school district procurement cards

(1) There is created within the State Treasury a special fund to be designated the "Education Enhancement Fund" into which shall be deposited all the revenues collected pursuant to Sections 27-65-75(7) and (8) and 27-67-31(a) and (b).

(2) Of the amount deposited into the Education Enhancement Fund, Sixteen Million Dollars (\$ 16,000,000.00) shall be appropriated each fiscal year to the State Department of Education to be distributed to all school districts. Such money shall be distributed to all school districts in the proportion that the average daily attendance of each school district bears to the average daily attendance of all school districts within the state for the following purposes:

(a) Purchasing, erecting, repairing, equipping, remodeling and enlarging school buildings and related facilities, including gymnasiums, auditoriums, lunchrooms, vocational training buildings, libraries, teachers' homes, school barns, transportation vehicles (which shall include new and used transportation vehicles) and garages for transportation vehicles, and purchasing land therefor.

(b) Establishing and equipping school athletic fields and necessary facilities connected therewith, and purchasing land therefor.

(c) Providing necessary water, light, heating, air-conditioning and sewerage facilities for school buildings, and purchasing land therefor.

(d) As a pledge to pay all or a portion of the debt service on debt issued by the school district under Sections 37-59-1 through 37-59-45, 37-59-101 through 37-59-115, 37-7-351 through 37-7-359, 37-41-89 through 37-41-99, 37-7-301, 37-7-302 and 37-41-81, or debt issued by boards of supervisors for agricultural high schools pursuant to Section 37-27-65, if such pledge is accomplished pursuant to a written contract or resolution approved and spread upon the minutes of an official meeting of the district's school board or board of supervisors. The annual grant to such district in any subsequent year during the term of the resolution or contract shall not be reduced below an amount equal to the district's grant amount for the year in which the contract or resolution was adopted. The intent of this provision is to allow school districts to irrevocably pledge a certain, constant stream of revenue as security for long-term obligations issued under the code sections enumerated in

this paragraph or as otherwise allowed by law. It is the intent of the Legislature that the provisions of this paragraph shall be cumulative and supplemental to any existing funding programs or other authority conferred upon school districts or school boards. Debt of a district secured by a pledge of sales tax revenue pursuant to this paragraph shall not be subject to any debt limitation contained in the foregoing enumerated code sections.

(3) The remainder of the money deposited into the Education Enhancement Fund shall be appropriated as follows:

(a) To the State Department of Education as follows:

(i) Sixteen and sixty-one one-hundredths percent (16.61%) to the cost of the adequate education program determined under Section 37-151-7; of the funds generated by the percentage set forth in this section for the support of the adequate education program, one and one hundred seventy-eight one-thousandths percent (1.178%) of the funds shall be appropriated to be used by the State Department of Education for the purchase of textbooks to be loaned under Sections 37-43-1 through 37-43-59 to approved nonpublic schools, as described in Section 37-43-1. The funds to be distributed to each nonpublic school shall be in the proportion that the average daily attendance of each nonpublic school bears to the total average daily attendance of all nonpublic schools;

(ii) Seven and ninety-seven one-hundredths percent (7.97%) to assist the funding of transportation operations and maintenance pursuant to Section 37-19-23; and

(iii) Nine and sixty-one one-hundredths percent (9.61%) for classroom supplies, instructional materials and equipment, including computers and computer software, to be distributed to all eligible teachers within the state through the use of procurement cards. Classroom supply funds shall not be expended for administrative purposes. On or before September 1 of each year, local school districts shall determine and submit to the State Department of Education the number of teachers eligible to receive an allocation for the current year. For purposes of this subparagraph, "teacher" means any employee of the school board of a school district who is required by law to obtain a teacher's license from the State Department of Education and who is assigned to an instructional area of work as defined by the department, but shall not include a federally funded teacher. It is the intent of the Legislature that all classroom teachers shall utilize these funds in a manner that addresses individual classroom needs and supports the overall goals of the school regarding supplies, instructional materials, equipment, computers or computer software under the provisions of this subparagraph, including the type, quantity and quality of such supplies, materials and equipment. Classroom supply funds allocated under this subparagraph shall supplement, not replace, other local and state funds available for the same purposes. The State Board of Education shall develop and promulgate rules and regulations for the administration of this subparagraph consistent with the above criteria, with particular emphasis on allowing the individual teachers to expend funds as they deem appropriate. Effective with the 2013-2014 school year, the local school board shall require each school to issue procurement cards provided by the Department of Finance and Administration under the provisions of Section 31-7-9(1)(c) for the use of teachers and necessary support personnel in making instructional supply fund expenditures under this section, consistent with the regulations of the Mississippi Department of Finance and Administration pursuant to Section 31-7-9. Such procurement cards shall be issued at the beginning of the school

year and shall be issued in equal amounts per teacher determined by the total number of qualifying personnel and the current state appropriation for classroom supplies with the Education Enhancement Fund. Such cards will expire on a pre-determined date at the end of each school year. All unexpended amounts will be carried forward, combined with the following year's allocation of Education Enhancement Fund instructional supplies funds and reallocated for the following year;

(b) Twenty-two and nine one-hundredths percent (22.09%) to the Board of Trustees of State Institutions of Higher Learning for the purpose of supporting institutions of higher learning; and

(c) Fourteen and forty-one one-hundredths percent (14.41%) to the Mississippi Community College Board for the purpose of providing support to community and junior colleges.

(4) The amount remaining in the Education Enhancement Fund after funds are distributed as provided in subsections (2) and (3) of this section shall be disbursed as follows:

(a) Twenty-five Million Dollars (\$ 25,000,000.00) shall be deposited into the Working Cash-Stabilization Reserve Fund created pursuant to Section 27-103-203(1), until the balance in such fund reaches the maximum balance of seven and one-half percent (7-1/2%) of the General Fund appropriations in the appropriate fiscal year. After the maximum balance in the Working Cash-Stabilization Reserve Fund is reached, such money shall remain in the Education Enhancement Fund to be appropriated in the manner provided for in paragraph (b) of this subsection.

(b) The remainder shall be appropriated for other educational needs.

(5) None of the funds appropriated pursuant to subsection (3)(a) of this section shall be used to reduce the state's General Fund appropriation for the categories listed in an amount below the following amounts:

(a) For subsection (3)(a)(ii) of this section, Thirty-six Million Seven Hundred Thousand Dollars (\$ 36,700,000.00);

(b) For the aggregate of minimum program allotments in the 1997 fiscal year, formerly provided for in Chapter 19, Title 37, Mississippi Code of 1972, as amended, excluding those funds for transportation as provided for in paragraph (a) of this subsection.

HISTORY: SOURCES: Laws, 1992, ch. 419, § 9; Laws, 1993, ch. 612, § 1; Laws, 1993, ch. 509, § 1; Laws, 1995, ch. 450, § 1; Laws, 1997, ch. 557, § 1; Laws, 1997, ch. 612, § 25; Laws, 2000, ch. 617, § 3; Laws, 2001, ch. 518, § 1; Laws, 2002, ch. 551, § 7; Laws, 2003, ch. 411, § 1; Laws, 2004, ch. 595, § 24; Laws, 2006, ch. 504, § 4; reenacted without change, Laws, 2009, ch. 345, § 29; Laws, 2012, ch. 543, § 3; Laws, 2013, ch. 566, § 4; Laws, 2014, ch. 397, § 39; Laws, 2014, ch. 442, § 7, eff from and after passage (approved Mar. 26, 2014.)